

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

Lifeline and Link-Up

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) WC Docket No. 03-109
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**APPLICATION OF TRACFONE WIRELESS, INC. FOR EMERGENCY
DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER
TO PROVIDE LIFELINE ASSISTANCE TO HURRICANE KATRINA VICTIMS**

TracFone Wireless, Inc. (TracFone) hereby applies for designation as an Eligible Telecommunications Carrier to provide Lifeline assistance on an emergency basis to displaced victims of Hurricane Katrina who are eligible for such emergency assistance pursuant to requirements recently established by the Commission.

INTRODUCTION

On October 14, 2005, the Commission issued an order establishing programs which will provide financial support from the federal Universal Service Fund (USF) to provide telecommunications services to persons who were displaced from their homes as a result of Hurricane Katrina. As the Commission stated in establishing these programs, “. . . these measures will help the victims of Hurricane Katrina recover from the catastrophic damage and help the affected communities rebuild.”¹ TracFone supports the Commission’s objectives and looks forward to offering Lifeline service to displaced victims of Hurricane Katrina.

In the Katrina Relief Order, the Commission articulated a plan in which providers of wireless telecommunications services would provide displaced victims of Hurricane Katrina with

¹ Federal-State Joint Board on Universal Service, et al, FCC 05-178, released October 14, 2005, at ¶ 1 (“Katrina Relief Order”).

wireless handsets and 300 minutes of prepaid usage. These packages would be supported by reimbursement of \$130 per subscriber from the USF. TracFone realizes that the package of service and equipment specified in the Katrina Relief Order is based on a plan which TracFone has put forth in connection with its petitions to be designated as an Eligible Telecommunications Carrier (ETC) in several states. TracFone believes that the free handset/300 minutes of use plan is an appropriate service package for those low income consumers who have been displaced from their homes by Hurricane Katrina, and looks forward to making that plan available to qualified users, irrespective of whether the Commission ultimately grants TracFone's other ETC petitions.

TracFone commends the Commission for the Katrina Relief Order. The programs announced in that order provide an opportunity for industry and the government to work cooperatively to make essential telecommunications service available to a group of people whose need for available, affordable wireless service never has been greater. However, it is imperative that the Commission as well as the industry recognize that time is of the essence. In order for the Katrina Relief Order Lifeline program to achieve its intended purpose, the program must be implemented immediately. Those consumers who have been displaced from their homes by Hurricane Katrina and who cannot otherwise afford wireless telephone service need service now. Those carriers who will be participating in the program need to set up the procedures and infrastructure to support the program and this will take some time. TracFone believes that it can commence offering its Katrina Lifeline program within one to two weeks of Commission approval. It looks forward to prompt review of this application and to receipt of that approval.

INFORMATION REQUESTED BY THE KATRINA RELIEF ORDER

The information required by the Commission is provided below:

1. How Many and Type of Minutes will be Offered

TracFone will include in its service package to qualified Hurricane Katrina victims 300 minutes of use. TracFone will provide each Katrina Lifeline customer with a “double minutes” plan card which will entitle the customer to 300 minutes which are usable for one year following the date of activation. In addition, Katrina Lifeline customers will be entitled to make purchases of additional usage at one-half the normal price. Those minutes will be usable for local and domestic long distance services, and will be usable anywhere within the United States. There will be no separate toll or roaming charges.

2. The Brand and Model of the Handsets

TracFone’s Katrina Lifeline customers will be provided with Nokia or Motorola handsets. The Nokia models will include nos. 1100 (GSM), 2125 (TDMA), 2285 and 2126 (CDMA). Motorola models will include V120 and C155. The specific handsets will depend on whether the customer will be served by a CDMA network or a GSM network. TracFone provides wireless service through the resale of approximately thirty different underlying carriers. Some of TracFone’s vendors are GSM carriers. Others are CDMA carriers. Whether TracFone places a customer on a GSM network or on a CDMA network will depend on the geographic area where the customer will primarily use the service. In the case of Katrina victims, those determinations will be based on the current location of the displaced customer, not on the customer’s permanent address. However, TracFone will attempt to provide with customers with handsets which will work in both places wherever possible. All handsets provided by TracFone to customers under the Katrina Lifeline program will be equipped with TracFone’s proprietary

software which stores the remaining usage balances in the handsets and which provide an on-screen display of the amount of unused minutes as well as their expiration date.

3. The Carrier's Licensed Service Area and any Conditions or Limitations Associated with the Plans

As a resale provider, TracFone is not limited to licensed service areas. TracFone can -- and does -- provide wireless telecommunications service throughout the United States. Through its arrangements with more than thirty underlying network operators, TracFone is able to provide service virtually anywhere where wireless service is available. As with all TracFone customers, customers who obtain service from TracFone through the Hurricane Katrina Lifeline program will be able to send and receive wireless calls wherever TracFone service is available. Moreover, there will be no separate charges for domestic long distance service nor will there be roaming charges.

CERTIFICATION OF ELIGIBILITY

In the Katrina Relief Order, the Commission has limited eligibility for participation in the special Katrina Lifeline program to those households who have been approved for individual housing assistance or determined by FEMA to be eligible for such individual housing assistance.² TracFone will implement certain procedures to ensure that only persons who have been displaced by Hurricane Katrina who meet the Commission's prescribed eligibility requirements will be allowed to receive service under TracFone's Katrina Lifeline program. TracFone shares the Commission's concern that the need for quick and decisive action must be balanced against the overarching goal of protecting the program from waste, fraud, and abuse.³

² Katrina Relief Order at § 11.

³ *Id.*, at ¶ 23.

Therefore, TracFone will (subject to Commission approval) implement a two-pronged eligibility certification program.

The first prong will be the preferred method of having customers demonstrate their eligibility by providing documentation of the requisite FEMA eligibility determination in addition to the customer certifying as to its identity and to the fact that it is not receiving Lifeline assistance from any other provider. The second prong is for those customers who are unable to produce documentation from FEMA through no fault of their own -- either because FEMA has not yet provided the documentation letter to the customer, or because the customer is unable to receive documentation, perhaps because he or she is living in temporary housing with no access to mail, e-mail or other means for receiving such documentation. Customers in such circumstances may have as great or greater need for Lifeline assistance than other eligible displaced victims of Katrina. For that reason, TracFone will allow such persons to certify their eligibility in writing under penalty of perjury without FEMA documentation, as described in no. 2 below.

1. Certification with FEMA Documentation

When customers apply for participation in TracFone's Katrina Lifeline program, either by calling TracFone's toll-free service center or in-person at participating retail outlets, they will be asked to complete a form which contains the following questions:

- a. Have you received a letter from FEMA awarding you a non-reimbursable cash grant for housing assistance relating to Hurricane Katrina?
- b. Are you the head of your household (defined as one adult with his or her dependents living together in the same residence)?
- c. Have you applied for or received Lifeline telephone assistance related to Hurricane Katrina from any other provider of telephone service?

- d. Do you understand that you and the members of your household may only receive Lifeline telephone assistance from one provider of telephone service and that any attempt by you or any member of your household to obtain Lifeline telephone assistance from another provider of telephone service will subject you to penalties?

Applicants will then be asked to submit copies of their FEMA certification letters. If the applicants have been approved by FEMA but have not yet received their letters, they will be asked to submit copies of bank deposit slips, statements or other documentation that the funds have been received from FEMA. In addition, they will be asked to provide a photo identification (such as a driver's license or passport) which confirms their identity. At the bottom of the application form, applicants will be required to sign their name under the following statement:

I swear under penalty of perjury that the information provided in this application is true and correct.

Copies of the FEMA eligibility letter or bank deposit documentation and copies of the applicant's photo identification will be attached to the application form and transmitted via fax to TracFone.

2. Certification Without FEMA Documentation

TracFone recognizes that the most reliable evidence of an applicant's eligibility for the Katrina Lifeline program will be the FEMA eligibility determination letter. In all circumstances, that will be TracFone's preferred means of demonstrating eligibility. However, TracFone also realizes that some eligible applicants will be unable to produce a FEMA letter at the time they apply for TracFone's Katrina Lifeline program. In some cases, there have been reports of FEMA delay in sending eligibility determination letters. In other situations, displaced victims are residing in temporary living quarters, *e.g.*, shelters, hotels and motels, the Houston Astrodome, etc., where there are no means to receive mail, either hard copy or electronic. TracFone believes that displaced households living in such temporary quarters should not be precluded from

enrolling in the Katrina Lifeline program simply because they lack access to mail. For that reason, TracFone will, subject to Commission approval, allow applicants to certify their eligibility without the letter, but subject to other protections.

In all cases, TracFone employees will first ask the applicant to produce a FEMA eligibility letter. If the applicant does not have a FEMA letter, the applicant will be asked where he or she was living on August 29, 2005, and to specify the county or parish in addition to the mailing address. TracFone personnel will then determine whether that town or city specified by the applicant is located within the county or parish stated by the applicant. TracFone will also determine whether the named county or parish is on the list of counties and parishes in Alabama, Mississippi, and Louisiana approved by FEMA for Hurricane Katrina relief.⁴

If the county or parish is not on the FEMA list, the applicant will be informed immediately that he or she is not eligible for the program. If the county or parish is on the FEMA list, the applicant will be directed to answer questions b, c, and d above. The applicant will then be required to provide that information in writing, either by submitting a letter to TracFone which can be sent via U.S. mail, e-mail or fax, or by completing an application form which TracFone will send to the applicant by any of the aforementioned means. As with the form used in situations where the applicant is able to provide a copy of the FEMA letter, the applicant will be required to sign the letter under a statement in which he or she swears under penalty of perjury that the information is true and correct, and that submission of false information could subject the applicant to penalties. Also, as with those customers who are able to produce FEMA eligibility letters, applicants without FEMA letters will be required to submit a photo identification a copy of which will be attached to the application.

⁴ A map identifying the counties affected by Hurricane Katrina whose residents may be eligible for emergency housing assistance is appended to the Katrina Relief Order as an Appendix.

MARKETING PLAN DESCRIPTION

The first step in effectively reaching out to displaced victims of Hurricane Katrina to market the availability of the Katrina Lifeline program will be to identify where the victims are temporarily located. Some of this information is readily available. For example, it has been widely reported that many displaced Katrina victims have been relocated to Houston, Texas and other Texas communities. TracFone will work with the Red Cross and other appropriate relief agencies to identify additional places where displaced Katrina victims are now residing in temporary quarters.

TracFone is prepared to purchase advertising time in print and broadcast media (television and radio) to notify Katrina victims of the availability of its Lifeline program. In addition to marketing the program in locations where displaced residents have been relocated, TracFone will utilize appropriate media in the communities affected by Katrina in the realization that some displaced persons will continue to access those sources. Newspapers such as the New Orleans Times-Picayune and others publish on-line editions. TracFone will seek to promote its Lifeline program through those outlets as well. TracFone already has hired a senior vice president to coordinate its ETC programs. That person's first responsibility will be the implementation and marketing of the Katrina Lifeline program.

In addition to print and electronic advertising, TracFone believes that non-traditional for public dissemination of information regarding TracFone's Katrina Lifeline program will be available to inform eligible persons of the availability of the program. Such sources will include public service announcements and cooperative efforts with public assistance agencies and state and local government departments. TracFone will notify each of the three affected states' public service commissions of the availability of the program. As a provider of Commercial Mobile

Radio Service, TracFone is not subject to state regulation. However, TracFone realizes that consumers often contact their state public service commissions with questions regarding availability of utility service, including telephone service. TracFone will have no control over each state commission's willingness to inform customers about the availability of TracFone's program or the Katrina Lifeline program in general. However, it will ensure that each commission is aware of the program so that the commissions can notify customers that the program is available.

Finally, TracFone plans to utilize certain of its retail vendors to assist in the marketing of the Katrina Lifeline program. The responsibility for determining each applicant's eligibility for participation in the program will be solely TracFone's. However, TracFone believes that its retail vendors will be able to assist by having enrollment forms available which applicants can complete at the retailer, and by having fax machines available to send the completed applications and documentation to TracFone's offices.

CONCLUSION

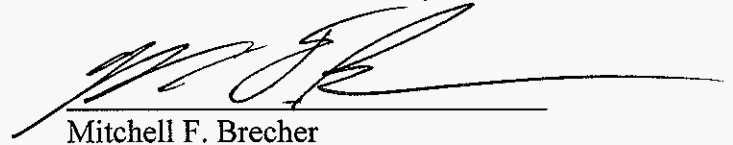
As a company whose business has been based on providing easy-to-use and affordable wireless service to lower income consumers, including many to whom wireless service would otherwise not be available, TracFone believes that it is well-situated to effectively deliver Lifeline service to victims of Hurricane Katrina eligible for this program. With petitions for ETC designation pending before the Commission, TracFone's desire to gain ETC designation and to offer Lifeline service is well-known to the Commission.⁵ The certification and marketing plans described in this application represent TracFone's effort to provide Lifeline service to

⁵ TracFone fully understands that approval of this application to offer Katrina Lifeline service will have no bearing on the Commission's ultimate disposition of TracFone's pending ETC petitions.

eligible Katrina victims at the earliest possible time, while providing reasonable protections against waste, fraud and abuse. TracFone is prepared to commence offering the service described in this application promptly upon Commission approval. Accordingly, TracFone respectfully urges the Commission to expeditiously grant this application.

Respectfully submitted,

TRACFONE WIRELESS, INC.

A handwritten signature in black ink, appearing to read 'MFB', is written over a horizontal line.

Mitchell F. Brecher

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